

STAT

Declassified in Part - Sanitized Copy Approved for Release 2012/08/16 : CIA-RDP99-01448R000301290096-9

Face the Nation

CBS Network

March 1, 1987 10:30 a.m.

The Tower Report

ILLEGIB

MS . LESLEY STAHL: The President is facing momentous decisions. The Tower Report says he must take responsibility for the Iran/contra affair.

SENATOR JOHN TOWER: I think he was not aware of a lot of the things that were going on and the way the operation was structured and who was involved in it. He, very clearly, didn't understand all that.

THE PRESIDENT: I think it's possible to forget.

MS. STAHL: The Tower panel said the President forgot meetings he attended and key decisions he made in the Iran affair and that the operation was handled casually and sloppily by a team of advisors who lied constantly to Congress, to the public and to each other. Much of the blame went to the President and Donald Regan.

SENATOR EDMUND MUSKIE: More than almost any Chief of Staff of recent memory, he asserted personal control over the White House staff. He, as much as anyone, should have insisted that an orderly process be observed.

STAT

MS. STAHL: The President moved quickly this week to find a new Chief of Staff, turning to former Senator Howard Baker, a moderate Republican known for his skills as a conciliator.

SENATOR NANCY KASSEBAUM: I believe you can already hear a sigh of relief throughout Washington.

MS. STAHL: Donald Regan learned of the Baker appointment from television, reportedly blew his fuse and stormed out of the White House. Mrs. Reagan, who had sought his departure for over three months, was said to be ecstatic.

But the damage to President Reagan has been devastating. A Newsweek poll over the weekend found 32 percent who feel he should consider resigning.

Is changing Chief of Staff enough? We'll ask Tower Commission member Edmund Muskie, Republican Senator William Cohen of Maine and Democratic Congressman Lee Hamilton of Indiana. And we'll hear Vice President George Bush on an interview he gave on a recent campaign swing.

President Reagan tries damage control, an issue facing the nation.

(Commercials)

MS. STAHL: With us now, former Secretary of State Edmund Muskie, a member of the Tower Commission.

Senator Muskie, I would like to ask you about the meetings that you had with President Reagan. You, in your report, described his as forgetful, unaware, didn't understand.

I think there's concern that you, perhaps, were using euphemisms to tell us something deeper about the President's state of mind. Are you worried about the President's mental state?

SENATOR MUSKIE: Well, I'm not too clear as to the extent to which he applies his energy, including his

mental energy, to his job. But at those meetings we had with him, in each instance, after the usual pleasantries, he was seated, he looked comfortable, he looked relaxed and he looked more healthy the second time than the first because of his illness.

MS. STAHL: But what about his grasp of -- can I use this word -- his grasp of reality?

SENATOR MUSKIE: Well, he was definite in what he remembered and what he didn't, but what he didn't remember astonished us because by that time we had been exposed to a great deal of the story. We expected him to reinforce some rather obvious developments, beginning with July of 1985 through the end of 1985. He did not recall them and he did not recall meetings that we knew took place at that point.

MS. STAHL: But are you worried about that or do you think he can --

SENATOR MUSKIE: Of course. Of course that worries us. To have the President not focusing and not recalling what he did on these significant occasions is worrisome.

MS. STAHL: What are you worried about? Are you worried about his judgment? Are you worried about his ability to govern? What are you worried about?

SENATOR MUSKIE: Well, I guess you stated it more strongly than I would be inclined to for this reason. We're conscious of the fact that he has got -- in the interest of the country, he's got to recover as much as he can of what he has lost.

Politically, I doubt that he will ever again be the dominant figure that he was say six month ago. Now, until that time, he had effectively pursued his own priorities, domestic and foreign. But from now on, the question is, can he continue to do so in a way that is credible to the country, that will mobilize the country's support and that will achieve objectives, especially in the national security area.

MS. STAHL: You all called on him to get more involved.

SENATOR MUSKIE: Yes.

MS. STAHL: Do you think that he is capable of doing that?

SENATOR MUSKIE: Well, one wonders whether after a lifetime doing business as he has, whether or not he can really come to grips with the responsibilities of his office.

MS. STAHL: Did the three of you on the Tower panel, after you met with the President, sit down and talk amongst yourselves about his mental capacities?

SENATOR MUSKIE: Not -- no, I wouldn't say that we treated him as a mental patient or considered him a mental patient.

MS. STAHL: No? You --

SENATOR MUSKIE: But certainly, we were all appalled by the absence of the kind of alertness and vigilance to his job and to these policies that one expects of a President.

MS. STAHL: But do you think he can go on?

SENATOR MUSKIE: That depends upon how he faces adversity. This is a season of deep adversity for him. And whether or not he can mobilize his energies and go to work -- I know what you're driving at, Lesley. We do not regard him as a mental case, but we regard him as a President who didn't do his job.

MS. STAHL: Okay. You know, Vice President Bush said that the White House is fairly elated that the President and he were cleared of any wrongdoing. Is that the way you would characterize the conclusions about what the President knew in terms of diversion of monies to the contras?

SENATOR MUSKIE: I would not. The President is clearly responsible for the mistakes that were made, and responsible in a very real way. As far as the Vice President is concerned, in the story that we developed with the help largely of people's recollections, the Vice President would be known more for his absence than his involvement in this whole unfolding tragedy, and it is a tragedy.

MS. STAHL: Why do you think that staff did not tell the President what they were up to?

SENATOR MUSKIE: Well, of course, the people who should have been telling him what was going on are not the people who are operating this policy. The Secretary of Defense, the Secretary of State, the National Security Advisor and the Chief of Staff, these are the people who should have been in a position to tell the President what was going on. They failed and he did not -- on his part, he did not pursue that failure to learn for himself what was happening.

MS. STAHL: But do you know why they didn't tell him? Is there any sense that you got from all your interviews what the reason was that they didn't report to him?

SENATOR MUSKIE: Well, let me take those four people, if that would be helpful; or maybe five. As far as the Vice President is concerned, he was not involved.

MS. STAHL: He was not involved? You are saying that?

SENATOR MUSKIE: He was not involved. I mean he attended the National Security Council meetings but he was never recorded, in anybody's recollection, as saying whether he was for or against this policy and its implementation.

MS. STAHL: Well, didn't Mr. Shultz, in his notes, write that he thought the Vice President was for it?

SENATOR MUSKIE: I think Shultz did, but recall the words. He "thought" the Vice President was for it.

MS. STAHL: Okay.

SENATOR MUSKIE: Now, the Vice President's presence should have been such that nobody would have to speculate as to whether he was for it or against it. He should have made clear whether he was for it or against it.

Now, there's no written record. So, Mr. Bush says today that while he was against it, there's nothing to substantiate or challenge that. But people do not recall that he took a vigorous active role in this.

As far as Weinberger and Shultz are concerned, they stated their opposition, clearly did and did so at length on the three occasions when the National Security Council met. But then they distanced themselves from this. And one had the sense that they must have known that this policy was being pursued, but they never pursued it themselves to find out what was happening, whether results were being achieved.

Let me give you just one "for instance." In January of 1986, this whole policy was reviewed. Up to that point, the Israelis had been transferring the weapons. In January, a change took place. We took over the transfer of weapons and did it directly. This was discussed on January 7th with all members of the National Security Council present.

Now, the finding was not signed at that meeting, but it's clear that the President was going forward. The thing was signed on January 17th. I think the Vice President was present at that point. There's no record that he opposed it. So it was signed. And part of the initiative that was approved at that time was this, that a thousand TOWs would be sent as a first installment and, in return, we expected the release of the hostages. If that didn't happen, then the whole thing was supposed to end.

The thousand TOWs were shipped, no hostages were

released and nobody called the thing up for review. Nobody.

MS. STAHL: Did you ask the President about that? "Why didn't you stop it after then?"

SENATOR MUSKIE: No, because we weren't at that point.

MS. STAHL: You know, your report is almost harsher against Shultz and Weinberger for not getting in there and fighting against this. You almost suggest they betrayed the country. It's harsher against them, really, than you are against Mr. Reagan who resigned. Do you think they should stay on board or do you think -- what do you think they should do in light of your criticism in this report?

SENATOR MUSKIE: Well, I think they and the President have got to decide whether, notwithstanding their failure in this case, they should continue. I think there is a problem. The problem is the danger that -- what happens is the complete dismantlement of this Administration, that that may create more problems than it solves. So, this is a decision that those three must make.

MS. STAHL: Let me ask you one final question. What is the key question or questions that remain in your mind, because I know you didn't get to complete the investigation, you just sort of ended when you ended, right?

SENATOR MUSKIE: The diversion of funds, important. To the extent of the contra operation in Nicaragua, we just got on the fringes of that. There were enough threads that we couldn't pursue. That really needs careful and thorough investigation because this whole business of raising money in the private sector, managing it to get lethal weapons to the contras at a time that the Congress had prohibited it, that needs to be thoroughly explored and aired.

Until all of that is unfolded and until the country knows all of that, we really won't know the full

extent of this failure of responsibility. And that's the words we used. This was a failure of responsibility, from the President through his principal Cabinet officers, down to those who operated it.

MS. STAHL: Senator Muskie, thank you very much for being our guest this morning.

We'll be right back.

(Commercials)

MS. STAHL: Joining us now from New York, Senator William Cohen of Maine, a member of the Senate Select Committee on Iran, and here in Washington, Congressman Lee Hamilton of Indiana, Chairman of the House Select Committee on Iran.

Let's go first to New York and Senator Cohen, who has also shown a great deal of interest in arms control and ask you what you think about Mr. Gorbachev's sudden new proposal to delink medium-range missile arms talks from the Star Wars proposal, which would mean a separate arms proposal could be negotiated now.

Why do you think he did that at this particular point in time, Senator?

SENATOR WILLIAM COHEN: Well, first, I think it's a very positive step as far as the delinking is concerned. I think we can perhaps try and speculate about his motivations. Obviously, some will feel that this is an opportunity for Gorbachev to try and exploit President Reagan's current difficulties and seek to push him into an arms control agreement that might not be in our best interests.

On the other hand, we can speculate that Mr. Gorbachev himself is in need of some sort of progress in the arms control field if he is to maintain the kind of credibility with his own people at home. He might feel, for example, that if he doesn't push on this particular level or some level, that he won't get an

arms control agreement until well after 1988, perhaps close to 1990 would be more realistic, and by that time he may have run out of his own political coinage at that point.

So, we can speculate back and forth. I think rather than trying to determine motivation we ought to look at the merits. And looking at the merits, the first thing we should do is to consult very closely with our allies to see if they have strong objection or are strongly in favor, to reassure them that this would not represent a decoupling, and to then proceed with a decision that's in our best national security interests and that of our alliance.

MS. STAHL: I take it though, you are basically for it at this time?

SENATOR COHEN: Well, there are some details to be worked out. Obviously, the so-called zero-zero option is something this Administration had been pushing for some time. The questions remain concerning short-range or shorter-range missiles.

Those details are not unimportant and would have to be resolved, but I think it's a very positive step forward, provided the allies are reassured that this is not, in any way, a symbolic or militarily delinking of the operation of our security arrangement with them.

MS. STAHL: Congressman Hamilton, is this a good time or a dangerous time for President Reagan to start back on the arms control negotiation trail with the Russians?

REP. LEE HAMILTON: Well, I think the Soviet Union has given the President an extraordinary opportunity here. I don't know whether we should jump at it, I don't think we should, but it's quite clear that unusual things are going on in the Soviet Union. I agree with Bill that I think the Soviet leader wants an agreement. I think President Reagan wants an agreement. So, we should test the Soviet Union and see what the possibilities are and be very careful, of

course, to protect the national security interests of the United States.

MS. STAHL: Okay. I want to ask you both about the Tower Commission. But first, Senator Cohen, Robert Gates, who was the President's nomination to head the CIA has been tainted, if you will, by the scandal in some way because he was there at the CIA as Mr. Casey's number two man while this was going on.

Do you think the President should withdraw Mr. Gates' name?

SENATOR COHEN: I think we should wait and certainly have consultations with Howard Baker. We're having a hearing next Wednesday to examine some of the further questions involving Mr. Gates, concerning, for example, whether or not political pressure was brought to bear upon the Special National Intelligence Estimate, the so-called SNEI. If that were the case, then I think that Mr. Gates would have a good deal of difficulty being confirmed.

But I think it's a bit too early at this point. It's some factor that the Administration. President Reagan and Howard Baker will have to take into account.

MS. STAHL: You have no advice? You're not leaning in one direction or another?

SENATOR COHEN: I think I would like to wait until more evidence is in so that -- Mr. Gates is an obviously very competent individual and someone who has spent 20 years of his life with that agency. I think we owe him a little bit more in terms of an opportunity to explain his role. There are some questions and he will have to answer those questions, but I believe that that's something that should be taken up with the Administration and not for Congress to decide at this point.

MS. STAHL: All right.

Congressman Hamilton, on the question of your committee's investigation into this whole Iran operation, Bob Woodward at The Washington Post -- every Sunday he comes out with another story. This Sunday his story is that that memo that North wrote, Oliver North, about the diversion of money to the contras was a memo intended for the President. Do you know about this memo? Did you know it was intended for the President and does this change in any way the focus of your investigation?

REP. HAMILTON: Well, I knew about the memo. I also know that the path of that memo is not clear. We don't know who really saw it. There's a lot we don't know about the memo we would like to know. But it's an important memorandum, obviously, and the Select Committees will be looking at it with great care.

MS. STAHL: In other words, the question of what the President knew about the diversion is still a question?

REP. HAMILTON: Oh, sure. Yes, indeed. It's probably one of the more important questions that we must yet answer.

MS. STAHL: Okay. I want to ask you both about this question of immunity for both your committees. I know that both committees have granted immunity to some lower levels, but more and more people are saying that if you don't grant immunity to North and Poindexter that you'll never get to the bottom of it.

Now, are you both inclined to do that in order to get the full story out or are you inclined to wait because they may be the highest up who know and allow the prosecutions to go forward?

First Senator Cohen.

SENATOR COHEN: I think the question is, when will we get to the bottom of the story. We could wait weeks or certainly months and have this drag on well into

the summer and fall months before answering those kinds of questions.

I think the question we have to decide is whether or not we want to accelerate that process by moving more quickly and considering the issue for immunity for either Colonel North or Admiral Poindexter or others. It's a question we have to address very quickly because of the time factors involved. And I suspect that in the next three to four weeks, we'll be dealing with this issue.

So, I think you use immunity as a last resort and not as a first resort. We may find at some point along this investigation that the time has come to consider some limited form of immunity after consulting with a special prosecutor, the so-called independent counsel. He himself is now under constitutional attack in the court.

But nonetheless, we want to make sure that he has enough evidence locked away in his files so that he could establish criminality, if such exists, without reference to any testimony that might come from the mouths of Colonel North or Admiral Poindexter.

MS. STAHL: Congressman, in your mind, what's more important, allowing those prosecutions to go forward or having the Senate find out what happened?

REP. HAMILTON: We'll have to balance that. But my own sense is, you should give us time to go through the volumes of evidentiary material that is before us to see what we can find out about the conduct of Admiral Poindexter and Colonel North.

Keep in mind, just a week or so ago, we had revealed a possible very serious crime, the destruction of evidence. Now, we don't know what's ahead of us here. Give us a little more time. We all know we're going to have to confront the question of immunity to these two gentlemen and I agree that probably sooner rather than later. But also keep in mind that the independent counsel is saying to us, "Don't grant

immunity yet, I need more time for investigation." We simply have to balance these needs that Senator Cohen has set out.

MS. STAHL: Okay. We have about one minute left. Can you both, very, very quickly, tell us what you think the most important thing President Reagan has to say in his speech this week to the American people?

Senator?

SENATOR COHEN: I think he's got to come forward and admit his responsibility for what took place, the fact that he authorized the program, whether last August -- August of '85, or January of '86, and accept the full responsibility for the acts and excesses of his subordinates.

Secondly, I think he has to take a strong affirmative action in gaining control over the White House.

MS. STAHL: Very quickly, Congressman.

REP. HAMILTON: The President is facing the most serious crisis of his presidency. He must, in a word, demonstrate his control, that he's in charge. He must also accept responsibility.

MS. STAHL: Thank you both very, very much.

We'll be back with a short interview with Vice President Bush.

(Commercials)

MS. STAHL: Reporter Joe Day of CBS affiliate WNEV in Boston, interviewed Vice President George Bush on a campaign stop in New Hampshire Friday night and asked him if the President is as unaware as the Tower Commission portrayed him.

VICE PRESIDENT BUSH: In the first place, he's a delegator. He delegates. And any time you delegate, why there's certain -- you put more trust in certain

subordinates. I think the report made that very, very clear.

And so, changes have been made in the NSC structure. More changes will be made in the NSC structure. And out of things that are bad come things that are good. And what's good is going to be a tightened NSC structure, but still one that's independent and reports to the President. We cannot permit the NSC to be put in as some new bureau reporting to Congress or something of that nature.

MR. DAY: Had you been more heavily involved, do you think this could have been averted? Maybe that's an unfair question.

VICE PRESIDENT BUSH: No, it's a good question and I'd love to give you a self-serving answer, but I don't think the system worked that way. If the President had been told some of the things that are in that report, they wouldn't have happened. But he was cut off and that's one thing the Tower Committee shows.

So, I'd love to say, with the benefit of total 20/20 hindsight, that I, in my infinite wisdom, could have stopped it. But I don't think that's fair. I think I see things in that report that I never would have permitted to happen and I know the President feels the same way.

MR. DAY: One more quick question, sir. Does this affect at all your Presidential possibilities?

VICE PRESIDENT BUSH: Yes, it makes them much better.

MR. DAY: Why?

VICE PRESIDENT BUSH: Because I think some people out there were wondering what was the Vice President's involvement. I thought Senator Muskie put that very well. I think the report speaks to it, makes very clear that I wasn't involved in some of the things that people consider wrong.

But that's not what's important to me. What's important to me is the success of this Administration because I am linked to that. I think the President is now much freer to move this country forward from a base of support. And all this pounding -- he's 55 percent in the polls. Now, you tell me a president at this time in his presidency that wouldn't have rejoiced to have that.

We're going to get this thing moving, believe me.

MS. STAHL: Vice President Bush.

That's our broadcast. I'm Lesley Stahl. Have a good week.